

IN THE STATE COURT OF HALL COUNTY

STATE OF GEORGIA

Amy & James Dunn

:

vs.

: 2014-SV-200-Z

Ronald Patterson

:

VERBATIM RECORD

TAKEN BEFORE THE HONORABLE LARRY A. BALDWIN, II

STATE COURT JUDGE

JUNE 29, 2016

On Behalf of the Plaintiff:

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EXHIBIT  
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1                   **MR. WILLIAMS:** I don't believe it directly says that,  
2 no, Sir. Lastly, I believe it's premature for the  
3 plaintiff's to be arguing what they are. We need to  
4 determine today whether or not Columbia Insurance Company  
5 has coverage for defendant Patterson in this case. That is  
6 not the way it works. This is a case of just not allowing  
7 direct actions against an insurance company to do that  
8 except in extremely limited circumstances set forth in the  
9 statute which was cited in the brief. That's exactly what  
10 they are wanting to do. They are trying to jump the gun.  
11 They want to get the coverage determination before they get  
12 the judgment. It doesn't work that way. It just not the  
13 way the law works in Georgia.

14                   In order for them to bring their action against  
15 Columbia, they have to first obtain a judgment against the  
16 reported insured defendant, in this case Mr. Patterson. We  
17 are a long way from that right now. He is in default.  
18 Clearly negligence is not going to be an issue. But,  
19 damages certainly are. So, until that final judgment is  
20 entered we shouldn't even be talking about coverage of  
21 Columbia right now. That is just not a relative aspect of  
22 it. They are asking this Court to do something that it  
23 shouldn't be doing. It really doesn't have the right to  
24 come in. We are not even a party to that. Columbia's not  
25 even a party to this case. It just should not happen in

1                   this juncture of the litigation for the coverage to be  
2                   determined. That comes later. Case law is perfectly clear  
3                   that that is how it should be done.

4                   I don't want to rehash the arguments that have been  
5                   made by counsel for the defendant. But, I think he's  
6                   correct in his interpretation of Richmond and what those  
7                   cases say. There isn't anything in those cases that  
8                   specifically prohibit an insurance company from paying for  
9                   defense even after they have denied coverage. Because that  
10                   is it. Anybody can pay. I can pay it out of my pocket if  
11                   I wanted to. If he had a relative or friend that wanted to  
12                   loan him the money to do it, they can do it. There is  
13                   certainly no reason why the money that is funding the  
14                   defense for this defendant can't be paid for by anybody who  
15                   volunteers to do so period, it doesn't matter as long as  
16                   1.8 is followed. Which, as I said, there's no evidence  
17                   that would indicate in any way that it has not been  
18                   followed.

19                   It is interesting that counsel for the Plaintiff  
20                   argues that they don't want to deny Mr. Patterson his right  
21                   to counsel. But, yet they know fully well that Mr.  
22                   Patterson has no financial means to pay for counsel. The  
23                   only way he is going to be represented in this case is if  
24                   it's paid for by somebody else. In this case, the party  
25                   that has volunteered to do that happens to be Columbia